

THIS PRINT COVERS CALENDAR ITEM NO.: 10.3

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Finance and Information Technology

BRIEF DESCRIPTION:

Adopting a Resolution of Local Support for the programming of \$10,541,132 of Transit Performance Initiative (TPI) funds for the Next Generation Transit Lane and Bus Zone Enforcement Pilot Program, the Third Street Dynamic Traffic Signal Optimization Project, development of the 29 Sunset Phase II Transit Optimization Project, and the Muni Forward Five-Minute Network Corridor Planning Program; and providing assurances that the SFMTA will comply with Metropolitan Transportation Commission (MTC) policies associated with receipt of these funds.



SUMMARY:

- The Transit Performance Initiative program (TPI) is an outcome of the MTC's 2012 Transit Sustainability Project. The TPI program funds cost-effective upgrades to infrastructure to achieve performance improvements along major transit corridors.
- In the fall of 2022, the SFMTA submitted four applications, totaling \$12,08,1640, for TPI consideration, including the Next Generation Transit Lane and Bus Zone Enforcement Pilot Program, the Third Street Dynamic Traffic Signal Optimization Project, the development of the 29 Sunset Phase II Transit Optimization Project, and the Muni Forward Five-Minute Network Corridor Planning Program.
- The MTC approved \$10,541,132 of TPI funds for the four projects. The Transit Lane Enforcement Pilot, the Third Street Signals, and the Muni Forward Five-Minute Network Planning Program were recommended for full funding. The Muni Forward Five-Minute Network Planning Program was recommended to receive an extra \$492 due to rounding. The development of the 29 Sunset Phase II Transit Optimization Project was recommended to receive \$2,959,000 out of \$4,500,000 (65.8% of requested). The SFMTA must identify additional funding to fully fund the project or reduce the scope of the project to match available funding.
- To receive these funds, MTC requires a Resolution of Local Support providing assurances that the SFMTA will comply with MTC implementation policies.
- Upon MTC's acceptance of the Resolution, the SFMTA will add the TPI projects to the MTC's federal Transportation Improvement Program so that funds can be awarded through executed grants.
- Note other approvals required.
- The adoption of this resolution does not constitute the approval of any specific project that may be funded by the TPI program. Rather, individual projects would be subject to CEQA review, as determined according to their individual scopes.

ENCLOSURES:

1. SFMTAB Resolution

APPROVALS:

	DATE
DIRECTOR 	<u>May 10, 2023</u>
SECRETARY 	<u>May 10, 2023</u>

ASSIGNED SFMTAB CALENDAR DATE: May 16, 2023

PURPOSE

Adopting a Resolution of Local Support for the programming of \$10,541,132 of Transit Performance Initiative (TPI) funds for the Next Generation Transit Lane and Bus Zone Enforcement Pilot Program, the Third Street Dynamic Traffic Signal Optimization Project, the development of the 29 Sunset Phase II Transit Optimization Project, and the Muni Forward Five-Minute Network Corridor Planning Program; and providing assurances that the SFMTA will comply with Metropolitan Transportation Commission (MTC) policies associated with receipt of these funds.

STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES

This action supports the following SFMTA Strategic Plan Goals:

- Goal 1: Identify and reduce disproportionate outcomes and resolve past harm towards marginalized communities.
- Goal 5: Deliver reliable and equitable transportation services.
- Goal 6: Eliminate pollution and greenhouse gas emissions by increasing use of transit, walking, and bicycling.
- Goal 7: Build stronger relationships with stakeholders.
- Goal 8: Deliver quality projects on-time and on-budget.
- Goal 9: Fix things before they break and modernize systems and infrastructure. Goal 10: Position the agency for financial success.

TRANSIT FIRST POLICY PRINCIPLES

1. To ensure quality of life and economic health in San Francisco, the primary objective of the transportation system must be the safe and efficient movement of people and goods.
2. Public transit, including taxis and vanpools, is an economically and environmentally sound alternative to transportation by individual automobiles. Within San Francisco, travel by public transit, by bicycle and on foot must be an attractive alternative to travel by private automobile.
3. Bicycling shall be promoted by encouraging safe streets for riding, convenient access to transit, bicycle lanes, and secure bicycle parking.

DESCRIPTION

The MTC’s TPI program dates to 2014 and was an outcome of MTC’s 2012 Transit Sustainability Project. Since then, the MTC has issued several solicitations for TPI funds. The TPI program funds low-cost capital investments that can be implemented rapidly to improve operations and customer experience on major transit corridors and systems. Under the TPI program, \$104,000,000 has been programmed to 35 projects. Relative to the rest of the Bay Area’s eligible cities, San Francisco’s dense urban landscape and busy surface transit corridors have contributed to the SFMTA’s ability to win grants in this program.

In response to a fall 2022 TPI call for projects, the SFMTA submitted four applications, three of which have been recommended for full funding, and one for partial funding, as shown in the Table 1 below.

Table 1: Award Summary

Project Title	Request Amount	Recommended Award	Percent Funded	Difference
Next Generation Transit Lane and Bus Zone Enforcement Pilot Program	\$2,544,132	\$2,544,132	100%	\$0
Development of the 29 Sunset Improvement Project – Phase Two	\$4,500,000	\$2,959,000	66%	-\$1,541,000
Third Street Dynamic Traffic Signal Optimization Project	\$2,000,000	\$2,000,000	100%	\$0
Muni Forward Five-Minute Network Corridor Planning Program	\$3,037,508	\$3,038,000	100%	\$492
Total	\$12,08,1640	\$10,541,132	87%	\$1,540,508

Notes on Funding:

- Development of the 29 Sunset Phase Two Project was recommended for partial funding. Per MTC, “(T)he 29 is a good fit for the TPI program, but construction is not expected to start until late 2026, a longer timeline than other applications and longer than is generally expected for TPI projects applying for construction funds. In addition, SFMTA identified the project as scalable, as once design is completed construction can be scheduled based on funding availability.” The SFMTA needs to identify funds to complete the full scope or deliver a smaller project that is within funding availability.
- The Muni Forward Five-Minute Network Corridor Planning Program will receive \$492 more than requested because federal fund awards are rounded to thousands of dollars.
- The Next Generation Transit Lane and Bus Zone Enforcement Pilot Program project is recommended to receive Low Carbon Transit Operations Program (LCTOP) funds. The LCTOP is administered by Caltrans. The other three projects will receive “One Bay Area Grant” (OBAG) funds. OBAG funds originate with the Federal Highway Administration and are administered by Caltrans.

Descriptions of the SFMTA’s TPI funded projects:

- Next Generation Transit Lane and Bus Zone Enforcement Pilot Program will improve transit efficiency by reducing transit lanes being blocked by vehicles.
- Development of the 29 Sunset Phase Two Transit Optimization Project will improve reliability, reduce travel time by an estimated 3.6%, and improve safety for pedestrians accessing the route.
- Third Street Dynamic Traffic Signal Optimization Project will improve transit reliability and safety by installing a new traffic detection system and a demand-based adaptive signal priority central traffic software on signals along the Third Street corridor.
- Muni Forward Five-Minute Network Corridor Planning Program will develop the next generation of Muni Forward corridor projects. The most intensive improvements will focus on the network of high-ridership corridors with capacity to support combined five-minute headways or better, that serve major regional destinations and transit hubs, referred to as a “Five-Minute Network.”

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To receive these funds, the SFMTA Board of Directors must adopt a Resolution of Local Support for the programming of \$10,541,132 for the projects listed above, while providing assurances that the SFMTA will comply with the following MTC policies:

- commitment of any required matching funds; and
- that the sponsor understands that the TPI regional discretionary funding is fixed at the programmed amount, and therefore, any cost increase cannot be expected to be funded with additional regional discretionary funding; and
- that the projects will comply with the procedures, delivery milestones, and funding deadlines specified in the Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised); and
- the assurance of the sponsor to complete the projects as described in the application, subject to environmental clearance, and if approved, as included in MTC's federal Transportation Improvement Program (TIP); and
- that the projects will have adequate staffing resources to deliver and complete the projects within the schedule submitted with the project application; and
- that the projects will comply with all project-specific requirements as set forth in the program; and
- that the SFMTA has assigned, and will maintain, a single point of contact for all FHWA- and California Transportation Commission (CTC) funded transportation projects to coordinate within the Agency and with the respective Congestion Management Agency (CMA), MTC, Caltrans, FHWA, and CTC on all communications, inquiries or issues that may arise during the federal programming and delivery process for all FHWA- and CTC-funded transportation and transit projects implemented by the SFMTA; and
- in the case of transit projects, the projects will comply with MTC Resolution No. 3866, revised, which sets forth the requirements of MTC's Transit Coordination Implementation Plan to deliver transit projects more efficiently in the region.

MTC has approved the programming of TPI funds contingent upon the SFMTA adopting the proposed Resolution of Local Support for the four projects. The SFMTA also needs to add the approved OBAG projects, with their federal funds, to the federal TIP so that funds can be awarded in future grants.

STAKEHOLDER ENGAGEMENT

Each project has developed and implemented a public outreach and engagement strategy. Public engagement has included public workshops, surveys, and meetings with stakeholders. Project teams will continue their outreach and engagement activities throughout the design and construction phases. In addition, the SFMTA has worked closely with the MTC to ensure that the projects meet the program requirements, regional and local policies and priorities, and that the project scopes are endorsed by both agencies.

ALTERNATIVES CONSIDERED

Alternatives to procuring TPI funds are to 1) not complete the projects due to lack of funds, or to 2) prioritize these four projects over other projects already identified for funding in the SFMTA's Capital Improvement Program.

FUNDING IMPACT

With the TPI funding in place, the SFMTA will have sufficient funds for the Third Street Dynamic Traffic Signal Optimization Project, the Muni Forward Five-Minute Network Corridor Planning Program, and the Next Generation Transit Lane and Bus Zone Enforcement Pilot Program, and will have 66% of funding necessary for the development of the 29 Sunset Phase II Transit Optimization Project.

ENVIRONMENTAL REVIEW

On April 7, 2023, under authority delegated by the Planning Department, the SFMTA determined that the Resolution of Local Support for the programming of \$10,541,132 of TPI funds for the Third Street Dynamic Traffic Signal Optimization Project, development of the 29 Sunset Phase II Transit Optimization Project, the Next Generation Transit Lane and Bus Zone Enforcement Pilot Program, and the Muni Forward Five-Minute Network Corridor Planning Program, is not a "project" under CEQA pursuant to Sections 15060(c) and 15378(b) of the CEQA Guidelines because the action would not result in a direct or a reasonably foreseeable indirect physical change to the environment.

A copy of the CEQA determination is attached to this Item and is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference.

The adoption of this resolution does not constitute the approval of any specific project that may be funded by the grant program. Individual projects would be subject to CEQA review, as determined according to their individual scopes.

If the projects are found to cause significant adverse impacts, the SFMTA retains absolute discretion to: (1) modify the project to mitigate significant adverse environmental impacts; (2) select feasible alternatives which avoid significant adverse impacts of the project; (3) require the implementation of specific measures to mitigate the significant adverse environmental impacts of the project, as identified upon environmental evaluation in compliance with CEQA and the Chapter 31; (4) reject the project as proposed if the economic and social benefits of the project do not outweigh otherwise unavoidable significant adverse impacts of the project; or (5) approve the project upon a finding that the economic and social benefits of the project outweigh otherwise unavoidable significant adverse impacts.

Project sponsors are responsible for compliance with the requirements of CEQA, the State Environmental Impact Report Guidelines, and the National Environmental Policy Act standards and procedures for all projects with federal funds.

OTHER APPROVALS RECEIVED OR STILL REQUIRED

In addition to the overall TPI schedule previously mentioned, and to maintain funding eligibility, by December 31, 2023, Bay Area jurisdictions, including San Francisco as a whole, must:

- 1) Have their Housing Element certified by California Housing and Community Development (HCD), and
- 2) Adopt a resolution affirming compliance with state housing laws related to surplus lands, accessory dwelling units, and density bonuses.

These two requirements have been met. San Francisco's 2022 Update to the Housing Element was certified by the California Department of Housing and Community Development (HCD) and adopted by the Board of Supervisors as Ordinance No. 010-23 on January 31, 2023.

- 3) Adopt a Local Roadway Safety Plan or equivalent, as defined under the California Highway Safety Improvement Program.

In San Francisco, this requirement is met by the City's 2021 Vision Zero SF Action Strategy.

Jurisdictions in compliance with the above deadline may have projects programmed into the federal TIP.

The City Attorney has reviewed this report.

RECOMMENDATION

Staff recommends that the SFMTA Board adopt a resolution of local support for the programming of \$10,541,132 of recently announced TPI funds for the Next Generation Transit Lane and Bus Zone Enforcement Pilot Program, the Third Street Dynamic Traffic Signal Optimization Project, development of the 29 Sunset Phase II Transit Optimization Project, and the Muni Forward Five-Minute Network Corridor Planning Program; and provide assurances that the SFMTA will comply with Metropolitan Transportation Commission policies associated with receipt of these funds.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, On April 19, 2022, the SFMTA Board of Directors adopted the Fiscal Year (FY) 2023-27 Capital Improvement Program, which included the Third Street Dynamic Traffic Signal Optimization Project, the 29 Sunset Phase II Transit Optimization Project, and the Muni Forward Five-Minute Network Corridor Planning Program; and,

WHEREAS, The Next Generation Transit Lane and Bus Zone Enforcement Pilot Program will be amended into the FY 2023-27 Capital Improvement Program based on anticipated receipt of funding described below; and,

WHEREAS, The United States Congress from time to time enacts and amends legislation to provide funding for various transportation needs and programs, (collectively, the Federal Transportation Act) including, but not limited to, the Surface Transportation Block Grant Program (STP) (23 U.S.C. § 133), the Congestion Mitigation and Air Quality Improvement Program (CMAQ) (23 U.S.C. § 149), and the Transportation Alternatives (TA) set-aside (23 U.S.C. § 133); and,

WHEREAS, Based on its review of four competitive grant applications submitted by the SFMTA, the Metropolitan Transportation Commission (MTC) is recommending \$10,541,132 in funding assigned to MTC for programming discretion, which includes federal and state funding administered by the State Department of Transportation (Caltrans) for the Next Generation Transit Lane and Bus Zone Enforcement Pilot Program, the Third Street Dynamic Traffic Signal Optimization Project, development of the 29 Sunset Phase II Transit Optimization Project, and the Muni Forward Five-Minute Network Corridor Planning Program for Transit Performance Initiative (TPI) funds; and,

WHEREAS, State statutes, including California Streets and Highways Code §182.6, §182.7, and §2381(a)(1), and California Government Code §14527, provide various funding programs for the programming discretion of the Metropolitan Planning Organization (MPO) and the Regional Transportation Planning Agency (RTPA); and,

WHEREAS, Pursuant to the Federal Transportation Act, and any regulations promulgated thereunder, eligible project sponsors wishing to receive federal or state funds for a regionally significant project must submit an application first with the appropriate MPO or RTPA, as applicable, for review and inclusion in the federal Transportation Improvement Program (TIP); and,

WHEREAS, MTC is the MPO and RTPA for the nine counties of the San Francisco Bay Area region; and,

WHEREAS, MTC has adopted a Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised) that sets out procedures governing the application and use of Regional Discretionary Funding; and,

WHEREAS, The SFMTA is an eligible sponsor for Regional Discretionary Funding; and,

WHEREAS, As part of the application for Regional Discretionary Funding, MTC requires a resolution adopted by the responsible implementing agency stating the following:

- the commitment of any required matching funds; and
- that the sponsor understands that the Regional Discretionary Funding is fixed at the programmed amount, and therefore any cost increase cannot be expected to be funded with additional Regional Discretionary Funding; and
- that the Project(s) will comply with the procedures, delivery milestones and funding deadlines specified in the Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised); and
- the assurance of the sponsor to complete the Project(s) as described in the application, subject to environmental clearance, and if approved, as included in MTC's federal TIP; and
- that the Project(s) will have adequate staffing resources to deliver and complete the Project(s) within the schedule submitted with the project application; and
- that the Project(s) will comply with all project-specific requirements as set forth in the Program; and
- that the SFMTA has assigned, and will maintain a single point of contact for all FHWA- and CTC-funded transportation projects to coordinate within the agency and with the respective Congestion Management Agency (CMA), MTC, Caltrans, FHWA, and CTC on all communications, inquires or issues that may arise during the federal programming and delivery process for all FHWA- and CTC-funded transportation and transit projects implemented by the SFMTA; and
- in the case of a transit project(s), the Project(s) will comply with MTC Resolution No. 3866, revised, which sets forth the requirements of MTC's Transit Coordination Implementation Plan to more efficiently deliver transit projects in the region; and
- in the case of a highway project(s), the Project(s) will comply with MTC Resolution No. 4104, which sets forth MTC's Traffic Operations System (TOS) Policy to install and activate TOS elements on new major freeway projects; and
- in the case of an RTIP project, state law requires the Project be included in a local congestion management plan, or be consistent with the capital improvement program adopted pursuant to MTC's funding agreement with the countywide transportation agency; and

WHEREAS, The MTC requires that a copy of this Resolution be transmitted to the MTC in conjunction with the filing of the application; and,

WHEREAS, On April 7, 2023, under authority delegated by the Planning Department, the SFMTA determined that the Resolution of Local Support for the programming of \$10,541,132 of TPI funds for the Next Generation Transit Lane and Bus Zone Enforcement Pilot Program, the Third Street Dynamic Traffic Signal Optimization Project, development of the 29 Sunset Phase II Transit Optimization Project and the Muni Forward Five-Minute Network Corridor Planning Program is not a "project" under CEQA pursuant to CEQA Guidelines Sections 15060(c) and 15378(b) because the action would not result in a direct or a reasonably foreseeable indirect physical change to the environment; and,

WHEREAS, A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference; and,

WHEREAS, If a Project funded by Regional Discretionary Funding is found to cause significant adverse impacts, the SFMTA retains absolute discretion to: (1) modify the Project to mitigate significant adverse environmental impacts, (2) select feasible alternatives which avoid significant adverse impacts of the Project, (3) require the implementation of specific measures to

mitigate the significant adverse environmental impacts of the Project, as identified upon environmental evaluation in compliance with CEQA and the Chapter 31, (4) reject the Project as proposed if the economic and social benefits of the Project do not outweigh otherwise unavoidable significant adverse impacts of the Project, or (5) approve the Project upon a finding that the economic and social benefits of the Project outweigh otherwise unavoidable significant adverse impacts; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors adopts a Resolution of Support for funding for the programming of \$10,541,132 of Transit Performance Initiative (TPI) funds for the Next Generation Transit Lane and Bus Zone Enforcement Pilot Program, the Third Street Dynamic Traffic Signal Optimization Project, development of the 29 Sunset Phase II Transit Optimization Project and the Muni Forward Five-Minute Network Corridor Planning Program (Projects); and be it further

RESOLVED, That the SFMTA will provide any required matching funds; and be it further

RESOLVED, That the SFMTA understands that the Regional Discretionary Funding for the Projects is fixed at the MTC-approved programmed amount, that any cost increases must be funded by the SFMTA from other funds, and that the SFMTA does not expect any cost increases to be funded with additional Regional Discretionary Funding; and be it further

RESOLVED, That the SFMTA understands the funding deadlines associated with these funds and will comply with the provisions and requirements of the Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised); and the SFMTA has, and will retain the expertise, knowledge and resources necessary to deliver federally funded transportation and transit projects, and has assigned, and will maintain a single point of contact for all FHWA- and CTC-funded transportation projects to coordinate within the Agency and with the respective CMA, MTC, Caltrans, FHWA, and CTC on all communications, inquiries or issues that may arise during the federal programming and delivery process for all such transportation and transit projects implemented by the SFMTA; and be it further

RESOLVED, That each Project will be implemented as described in the complete application and in this Resolution, subject to environmental clearance, and, if approved, for the amount approved by MTC and programmed in the federal TIP; and be it further

RESOLVED, That the SFMTA has reviewed the Projects and has adequate staffing resources to deliver and complete the Projects within the schedule submitted with the Project application; and be it further

RESOLVED, That the Projects will comply with the requirements as set forth in MTC programming guidelines and project selection procedures for the Program; and be it further

RESOLVED, That, in the case of a transit project, the SFMTA agrees to comply with the requirements of MTC's Transit Coordination Implementation Plan, as set forth in MTC Resolution No. 3866, revised; and be it further

RESOLVED, That, in the case of a highway project, the SFMTA agrees to comply with the requirements of MTC's Traffic Operations System (TOS) Policy, as set forth in MTC Resolution No. 4104; and be it further

RESOLVED, That, in the case of an RTIP project, the Projects are included in a local CMA, or are consistent with the capital improvement program adopted pursuant to MTC's funding agreement with the countywide transportation agency; and be it further

RESOLVED, That the SFMTA is an eligible sponsor of Regional Discretionary Funding funded projects; and be it further

RESOLVED, That a copy of this Resolution will be transmitted to the MTC to support the pending application(s); and be it further

RESOLVED, That the MTC is requested to support the application(s) for the Projects described in the Resolution, and if approved, to include the Projects in MTC's federal TIP upon submittal by the project sponsor for TIP programming.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of May 16, 2023.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency